

STATE OF WISCONSIN
DEPARTMENT OF EMPLOYEE TRUST FUNDS
801 West Badger Road
Madison, WI 53702

CORRESPONDENCE MEMORANDUM

DATE: November 20, 2002

TO: Employee Trust Funds Board
Wisconsin Retirement Board
Teachers Retirement Board

FROM: Julie Reneau, Administrator
Retirement Services Division

SUBJECT: Benefit Payments System Development Status Report

Background

The 2001-2003 biennial budget authorized the Department to contract for the development of a new Benefit Payments System. The proposed system will replace the existing annuity payment system, the accumulated sick leave conversion credits system, and the lump sum benefit payment system. It will also automate a number of manual processes, including the calculation of lump sum benefits, and provide improved service and productivity through Web-enabled self-service functionality in close integration with the WRS membership system. Implementation of the new system is scheduled for April 2004.

You will receive regular reports on the status of the Benefit Payments System project.

Project Status

The project is progressing essentially as planned. The project plan indicates that we should be 25% complete with the overall project, and we are actually 23% complete at this time. In order to stay on schedule, beginning November 18, 2002, the user team time committed to the project has been increased from 2.5 FTE positions to 7.0 FTE positions. The review and documentation of the various processes has proven to be more complex than originally anticipated, which has required more time of staff. Processes cross both functional and organizational lines in the Department, and it is important that details be correctly and completely documented.

Use Case Development

The BPS team continues to define details of the identified processes also known as "use cases." Use cases under review or already completed include:

- Process Reported Death
- Maintain Payment Profile
- Maintain Deductions
- Maintain Duty Disability Offsets
- Annual Duty Disability Updates
- Maintain Benefit Account and Payment History
- Generate Payment Vouchers

Process Retirement Application, Finalize Benefit
Process Separation Benefit
Generate Annuity Payments
Generate 40.63, 40.63(4) Disability Account
Generate Duty Disability Account
Determine Health Insurance Eligibility
Process Qualified Domestic Relations Order Split

Quality Reviews

We receive monthly reports from our independent project monitor, MAXIMUS, on the plan status and areas of risk assessment.

Covansys (project vendor), as part of every project, had an independent quality analysis completed to look at project management and general overall health of a project. A quality review of this project was conducted in October. It included interviews with both ETF and Covansys staff and a review of project documents. The areas reviewed included: scope, financials, schedule, resources, client perceptions, and quality of product. There were suggestions for improvements in each of these areas, which have either been addressed or are in the planning stages at this time.

Issues

Issue Resolution: In the August 2002 report, it was noted that there was disagreement with the Department of Electronic Government (DEG) on the level of security that we required. Since that report, the issue has been resolved to our satisfaction and work proceeds on designing the architecture to meet the security software specifications.

Current Issues: None

Work on the Benefit Payments System is one of our top priorities within the Department. It is our goal to keep the project on time and within budget. The success of the project will be dependent upon meeting those goals and using the resulting state-of-the-art technology to meet the needs of our members and to provide efficiencies within Department operations.